



**Joy Yamagata**  
**Regulatory Manager**  
**San Diego Gas & Electric Company**  
**8330 Century Park Court**  
**San Diego, CA 92123**

July 30, 2003

R. 01-08-028

**ELECTRONIC TRANSMITTAL**

Mr. Paul Clanon  
Energy Division  
California Public Utilities Commission  
505 Van Ness Avenue  
San Francisco, CA 94102

**RE: ENERGY EFFICIENCY INCENTIVE LEVEL CHANGES**

Dear Mr. Clanon:

Pursuant to California Public Utilities Commission (CPUC) Decision (D.) 03-04-055, Ordering Paragraph 13, San Diego Gas & Electric Company on behalf of Pacific Gas & Electric Company, Southern California Edison Company and Southern California Gas Company hereby requests approval by August 19, 2003, of the proposed increases in customer incentive levels for the Statewide Nonresidential Express Efficiency program. In accordance with D. 03-04-055, August 19, 2003, is 20 days following the notice to CPUC staff and the service list in this proceeding. The Decision also requires utilities to notify the Energy Division and the service list of a reduction in incentive levels. Attached is a description of the changes and a list comparing current and proposed incentive amounts.

If you have any questions or require additional information, please do not hesitate to contact me.

Sincerely,

Joy C. Yamagata  
Regulatory Manager

Enclosure

cc: J. Luboff - CPUC  
Z. Tapawan-Conway - CPUC  
V. Thompson – Semptra Energy  
Rulemaking 01-08-028 (Service List)

**PACIFIC GAS & ELECTRIC COMPANY, SAN DIEGO GAS AND ELECTRIC COMPANY,  
SOUTHERN CALIFORNIA EDISON COMPANY AND SOUTHERN CALIFORNIA GAS  
COMPANY NOTIFICATION OF CHANGE IN INCENTIVE LEVELS**

Decision (D.) 03-04-055, Ordering Paragraph (OP) 13, established procedures for Pacific Gas & Electric Company, San Diego Gas and Electric Company, Southern California Edison Company and Southern California Gas Company (collectively the Utilities) to abide by when modifying program incentive levels during a program year. Specifically OP 13 states: “ A utility may lower customer incentives by notifying designated Commission staff and the service list of this proceeding. Increases to customer incentive levels must be approved in advance by designated Commission staff following 20-day notice to staff and the service list of this proceeding.”

**Modifications to Incentives**

The Statewide Nonresidential Express Efficiency program is increasing incentives on several lighting, HVAC, refrigeration, agricultural, motors, gas and food service measures. The Utilities, as identified in their 2003 Program Implementation Plans, had planned to conduct “promotional sales” by offering higher rebates on selected measures as a means of generating increased program interest and seasonal participation. The Utilities prefer to not pursue the strategy of seasonal promotional pricing in favor of trying to set optimal prices and leaving those prices in effect for the program duration.

A consultant was retained to develop a systematic approach to rebate pricing. The approach essentially involved modeling market response based upon rebate prices and resulting market response from past Express Efficiency programs. Rebate cost per unit of energy savings was also factored into the analysis to achieve the highest possible total program energy savings while still encouraging a comprehensive set of measures in the marketplace.

The results of the rebate analysis were recommendations regarding the optimum rebate levels for various Express Efficiency program measures. The attached listing identifies the current and proposed customer incentive levels by specific measure. In addition to recommended increases in incentive levels, the study also recommended lowering the existing rebate for high efficiency multiplex refrigeration compressors, which is reflected in the listing.

The new Express Efficiency rebate levels are expected to ensure robust participation by target customer groups and energy efficiency providers, and result in the highest possible program benefits for ratepayers.

Program Measure	Units	Base 2003 Unit Rebate	2003 Proposed Unit Rebate (\$)
<b>Lighting</b>			
Occupancy Sensors (Wall-box)	unit	\$ 8.25	\$ 16.50
Occupancy Sensors (Wall or Ceiling Mounted)	unit	\$ 22.00	\$ 44.00
Photocells	unit	\$ 3.50	\$ 7.00
Time Clocks	unit	\$ 9.00	\$ 36.00
T-8; T-5 or T-5/HO Lamps w/EB (2-foot lamps)	lamp	\$ 2.30	\$ 3.50
T-8; T-5 or T-5/HO Lamps w/EB (3-foot lamps)	lamp	\$ 3.25	\$ 4.25
T-8; T-5 or T-5/HO Lamps w/EB (2-foot lamps) – Delamping	lamp	\$ 1.00	\$ 4.00
T-8; T-5 or T-5/HO Lamps w/EB (3-foot lamps) – Delamping	lamp	\$ 1.00	\$ 4.00
T-8; T-5 or T-5/HO Lamps w/EB (4-foot lamps) – Delamping	lamp	\$ 1.50	\$ 6.00
T-8; T-5 or T-5/HO Lamps w/EB (8-foot lamps) – Delamping	lamp	\$ 2.25	\$ 9.00
HID Fixture Exterior PS (0-100w) – Incandescent	fixture	\$ 12.00	\$ 36.00
HID Fixture Exterior PS (0-100w) - Mercury Vapor	fixture	\$ 11.00	\$ 22.00
HID Fixture Exterior PS (101-175w) – Incandescent	fixture	\$ 16.00	\$ 64.00
HID Fixture Exterior PS (101-175w) - Mercury Vapor	fixture	\$ 15.00	\$ 30.00
HID Fixture Exterior PS (>=176w) - Incandescent	fixture	\$ 25.00	\$ 100.00
HID Fixture Exterior PS (>=176w) - Mercury Vapor	fixture	\$ 24.00	\$ 48.00
New Exit Sign - LED	fixture	\$ 13.50	\$ 27.00
<b>HVAC</b>			
Setback Programmable Thermostats	unit	\$ 12.00	\$ 54.00
Reflective Window Film (Inland)	sqft	\$ 0.45	\$ 1.35
Reflective Window Film (Desert)	sqft	\$ 0.45	\$ 1.35
Reflective Window Film (Coastal)	sqft	\$ 0.45	\$ 1.35
Package or Split A/C or HP < 65 kBtu/h (Tier I)	ton	\$ 40.00	\$ 80.00
Package or Split A/C or HP < 65 kBtu/h (Tier II)	ton	\$ 50.00	\$ 100.00
Package or Split A/C or HP < 65 kBtu/h (Tier III)	ton	\$ 70.00	\$ 140.00
Advanced Evaporative Coolers	ton	\$ 70.00	\$ 123.00
Package or Split A/C or HP Water or Evap Cooled >=135 and < 240 kBtu/h	ton	\$ 75.00	\$ 113.00
VFD HVAC Fans	hp	\$ 40.00	\$ 80.00
<b>Refrigeration</b>			
Night Covers for Display Cases	linear ft	\$ 3.00	\$ 9.00
Strip Curtains for Walk-in Boxes	sqft	\$ 1.00	\$ 3.00
Door Gaskets on Glass Doors (Walk-ins and Freezers)	linear ft	\$ 2.00	\$ 4.00
Door Gaskets on Solid Doors (Walk-ins and Freezers)	linear ft	\$ 2.00	\$ 4.00
Vending Machine Controller	unit	\$ 30.00	\$ 90.00
Efficient Evaporator Fan Motor (PCS)	unit	\$ 10.00	\$ 20.00
Glass Doors on Open Display Cases (Low)	door	\$100.00	\$ 150.00
Glass Doors on Open Display Cases (Medium)	door	\$ 50.00	\$ 75.00
H Eff Multiplex Compressor - Eff. Condenser	ton	\$850.00	\$ 300.00
High Efficiency Multiplex Compressor	ton	\$850.00	\$ 300.00
Insulation for Bare Suction Lines	linear ft	\$ 0.40	\$ 1.00

<b>Agriculture</b>			
Low Pressure Sprinkler Nozzles - Central Valley (Permanent)	unit	\$ 0.35	\$ 1.15
Low Pressure Sprinkler Nozzles - Central Valley (Portable)	unit	\$ 0.35	\$ 1.15
Low Pressure Sprinkler Nozzles - Coastal (Permanent)	unit	\$ 0.35	\$ 1.15
Low Pressure Sprinkler Nozzles - Coastal (Portable)	unit	\$ 0.35	\$ 1.15
Sprinkler to Drip Irrigation - Central Valley (Deciduous)	acre	\$ 44.00	\$ 132.00
<b>Motors</b>			
25 HP Motor	unit	\$115.00	\$ 230.00
40 HP Motor	unit	\$160.00	\$ 320.00
50 HP Motor	unit	\$200.00	\$ 300.00
60 HP Motor	unit	\$235.00	\$ 353.00
75 HP Motor	unit	\$270.00	\$ 540.00
100 HP Motor	unit	\$360.00	\$ 720.00
125 HP Motor	unit	\$540.00	\$ 945.00
150 HP Motor	unit	\$630.00	\$ 1,260.00
200 HP Motor	unit	\$630.00	\$ 1,260.00
<b>Gas Measures</b>			
Commercial Boiler	MBtuh	\$ 1.00	\$ 1.50
Greenhouse Heat Curtain	sqft	\$ 0.15	\$ 0.40
Pipe Insulation	linear ft	\$ 2.00	\$ 3.00
Tank Insulation	sqft	\$ 2.00	\$ 3.00
<b>Food Service</b>			
Insulated Holding Cabinets - 1/2 (0.3kW)	unit	\$200.00	\$ 367.00
Insulated Holding Cabinets - 1/2 (0.4kW)	unit	\$150.00	\$ 275.00
Insulated Holding Cabinets - 3/4 (0.4kW)	unit	\$300.00	\$ 550.00
Insulated Holding Cabinets - 3/4 (0.6kW)	unit	\$200.00	\$ 367.00
Insulated Holding Cabinets - Full (0.5kW)	unit	\$400.00	\$ 733.00
Insulated Holding Cabinets - Full (0.8kW)	unit	\$250.00	\$ 458.00
Pressureless Steamers (0.2 kW)	unit	\$600.00	\$ 900.00
Pressureless Steamers (0.4 kW)	unit	\$500.00	\$ 750.00